INFORMATION LETTER

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Marketing Margins for Processed Fruits and Vegetables Have Risen Less than for Other Foods, USDA Reports

Marketing margins for fruits and vegetables, like those for other food products, have risen since the end of World War II, but the rate of increase has been less than the average increase for all farm food products, it is reported by the USDA.

And, the USDA states, marketing margins for processed fruits and vegetables have increased less than for the fresh products. All of the increase in margins for processed fruits and vegetables occurred between 1945 and 1947.

Between 1947 and 1955 marketing charges for processed fruits and vegetables declined about 4 percent, but the farm value declined 16 percent, with the result that the farmer's so-called share of the consumer's food dollar dropped from 22 to 20 percent.

These figures are reported by USDA in its January report on *The Marketing and Transportation Situation*, issued by the Agricultural Marketing Service.

Charges for processing and distributing farm-produced food products averaged 2 percent higher in 1955 than in 1954. Because of this increase, the report says, only about three-fifths of the 7 percent decrease in prices received by farmers for these products was passed on to consumers. Retail prices of farm food products averaged 2 percent lower in 1955.

Marketing charges for all fruits and vegetables, both fresh and processed, increased 36 percent between 1945 and 1955. Over two-thirds of the increase occurred during the postwar inflation between 1945 and 1949. During the 11 years from 1945 to 1955 the retail

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Interesting Facts about Canned Foods

A new 8-page pocket leaflet entitled "Interesting Facts about Canned Foods," compiled and published by the N.C.A. Information Division, received its first public exposure through distribution of copies at the recent annual N.C.A. Convention. Copies have been supplied to each member, to the state, regional and commodity canners association secretaries, and to the trade journals. A number of members have requested additional copies for use with civic groups, club meetings, and other gatherings of consumers.

The leaflet answers the 36 most frequently asked questions about canned foods, such as their longevity, should the liquid in the container be used, how to store, and other fundamental facts.

Raw Products Representatives Participate in Canners Schools

Canners schools, or fieldmen's conferences and short courses, usually held in the late winter at the state agricultural colleges, have become one of the important channels through which canners and their fieldmen are brought together for the discussion of mutual problems. They were first started about 35 years ago by the N.C.A. Raw Products Research Bureau, in cooperation with the agricultural colleges and the canners in particular areas, and during the early period the advice of Association personnel was often sought in organizing and planning programs for these schools. The number of schools has steadily increased, and in most cases the raw products committees of the state associations, in cooperation with the agricultural colleges, plan the programs. For the past three years the Raw Products Research Bureau, at the request of interested experiment stations, has acted as a clearing house for information regarding dates set up for these schools in an effort to avoid conflicts. This year 14 schools are scheduled for January, February and March.

Dr. C. H. Mahoney, Director of the Raw Products Research Bureau, and Dr. Edwin A. Crosby, newly-appointed Assistant Director, participated in canners schools this year in Pennsyl-

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Current Wage-Hour Exemption Not Changed by $1 Minimum

Effective March 1, the minimum wage requirement of the Fair Labor Standards Act becomes $1 an hour pursuant to the amendments adopted last fall by Congress, but the canning and agricultural exemptions remain unchanged.

The principal exemptions available to canners are the two 14-week exemptions from overtime pay and the "area of production" exemption from the minimum wage as well as the overtime pay requirements of the law. The overtime exemptions are contained in Sections 7(c) and 7(b)(3) of the law. The 7(c) exemption provides that in the canning of perishable or seasonal fruits or vegetables the processor need not pay overtime compensation during 14 weeks in the aggregate each year. Under Section 7(b)(3) seasonal processors also are exempt from the overtime payment requirements up to 12 hours a day or 56 hours a week for an additional period of 14 weeks in the aggregate.

The present definition of "area of production" limits this exemption from the minimum wage and over-

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Military Procurement

The House Armed Services Committee on January 30 reported H. R. 8710, a bill generally designed to curb the use of negotiation by the government in its procurement of supplies.

However, with reference to canned foods the committee said in its report:

"Section (c) would delegate the authority to purchase nonperishable subsistence items as well as perishable subsistence items without the use of the formal advertised competitive bidding method. The testimony before us is convincing that this will produce greater efficiency and much economy in the purchasing of these items which is principally done by the Department of the Army."

The bill has been cleared by the House Rules Committee for floor action.

Forthcoming Meetings

Feb. 14-15—New York State Canners and Freezers Association, Canners School, Agricultural Experiment Station, Geneva

Feb. 16-17—Ozark Canners Association, 48th Annual Convention, Colonial Hotel, Springfield, Mo.

Feb. 17-18—Canners League of California, Annual Fruit and Vegetable Sample Cutting, Fairmont Hotel, San Francisco

Feb. 21-22—Iowa-Nebraska Canners Association, Canners Conference, Iowa State College, Ames

Feb. 27-29—Canadian Food Processors Association, 9th Annual Convention, Harrison Hot Springs Hotel, Harrison Hot Springs, B. C.

March 2-3—Virginia Canners Association, 48th Annual Meeting, Hotel Roanoke, Roanoke

March 6-9—National-American Wholesale Grocers Association, Annual Convention, Palmer House, Chicago

March 8-9—National Pickle Packers Association, Seminars and Cutting Bee, Sacramento and Davis, Calif.

March 15-16—Pennsylvania Canners Association, Third Annual Canners' Workshop, Boiling Springs

March 23-24—Utah Canners Association, Annual Convention, Hotel Utah, Salt Lake City

March 26-27—Canners League of California, 52d Annual Meeting, Santa Barbara Biltmore, Santa Barbara

April 6—National Pickle Packers Association, Spring Meeting, Drake Hotel, Chicago

May 6-9—Super Market Institute, Annual Convention, Cleveland

May 11-12—Pennsylvania Canners Association, Fifth Annual Sales Clinic, Pocono Manor

June 3-4—Michigan Canners and Freezers Association, Spring Meeting, Park Place Hotel, Traverse City

June 10-14—National Association of Retail Grocers, 57th Annual Convention, Shrine Auditorium, Los Angeles

Oct. 17-19—National Pickle Packers Association, 63d Annual Meeting, Edgewater Beach Hotel, Chicago

Nov. 7-8—Wisconsin Canners Association, 52d Annual Convention, Schroeder Hotel, Milwaukee

Nov. 18-19—Pennsylvania Canners Association, 42d Annual Convention, Yorktowne Hotel, York

Nov. 29-30—Michigan Canners and Freezers Association, Fall Meeting, Pantlind Hotel, Grand Rapids

Dec. 13-14—New York State Canners and Freezers Association, 71st Annual Convention, Hotel Statler, Buffalo

USDA Pork Purchase Program

The USDA has announced that it is accepting offers on 6-pound cans of pork luncheon meat under the pork purchase program that was instituted last November. USDA is buying canned luncheon meat also in 12-ounce cans, canned pork and gravy, and canned hams.

Purchases through last week comprised 102 million pounds of pork products, of which 70,907,250 pounds were canned products. Of this total, 39,076,050 pounds were canned pork and gravy, 18,763,200 pounds were luncheon meat, and 13,068,000 pounds were canned ham.

Canned Asparagus for VA

The Veterans Administration has announced its requirements for canned asparagus to be obtained from the 1956 pack at 9,350 dozen No. 10 cans and an additional 8,000 dozen No. 303 cans of dietetic pack asparagus.

The VA specifies that the asparagus shall be "all green, cut spears. Cuts 1¼ inches or less—minimum heads 18 percent average and 12 percent per container. Cuts longer than 1¼ inches—minimum heads 25 percent average and 15 percent per container." Sodium content of the dietetic asparagus will be restricted to no more than 4 mg per 100 grams.

The VA plans to announce its estimate of requirements from the 1956 packs of canned fruits and vegetables in the near future.

USDA Asks ICC To Suspend Railroad Freight Increase

The Secretary of Agriculture has petitioned the Interstate Commerce Commission to suspend an application of the railroads for a 7 percent increase in freight rates with respect to raw and processed farm products, farm supplies, and fish.

In his petition to the ICC, February 2, the Secretary emphasized that favorable action on the railroad request would nullify, to the extent of the increase, concerted efforts now being made to relieve the farm producers' difficult economic condition.

The Secretary pointed out that the railroads have obtained 11 general freight increases since early 1946. The increases which applied to agricultural products totaled 63 percent. During the same period, from July of 1946 to December of 1955, prices received by farmers for their products fell 8 percent, while prices paid by farmers for the commodities they buy rose 32 percent.

The Secretary's petition said that the 63 percent increase in freight rates since 1946 has contributed to farmers' present difficulties and that, because of the continuing cost-price squeeze on farmers, this would be an extremely inopportune time to raise freight rates or take other action that would widen the spread.

The ICC is considering the railroads' proposal for increased rates and charges applicable to agricultural commodities and farm supplies under *Ex Parte* 196.

Petition for Fig Standard Filed by N.C.A.

A petition for promulgation of a standard of identity for canned figs under the Federal Food, Drug, and Cosmetic Act was filed by the N.C.A. February 6, with the Department of Health, Education, and Welfare.

In form and content the proposed standard is similar to those already in effect for other fruits, but differs in providing that citric acid or lemon juice may be added, if necessary, to ensure that the pH of the finished product is not higher than 4.9. Provision is also made for the optional use as seasoning of unpeeled slices of orange or other citrus fruit, with appropriate labeling.

Grades for Canned Asparagus

Notice is given in the *Federal Register* of January 28 that the Agricultural Marketing Service of USDA proposes again to revise U. S. standards for grades of canned asparagus. The proposed revision contains changes from the proposal of a year ago.

Parties interested in the proposed revision may submit views and comments during the next 30 days to the Fruit and Vegetable Division, AMS, USDA, Washington 25, D. C.

Wage-Hour Exemptions

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time pay requirements of the law to fruit and vegetable canners who receive 95 percent of their raw materials from within a radius of 15 miles and whose plant is located in open country or a rural community. Open country or a rural community is defined as a town of 2,500 or less population. The plant also is in open country if it is located at least one airline mile from a town 2,500 but not over 50,000; 3 airline miles from a town of 50,000 to 500,000; and 5 airline miles, over 500,000 population.

Details of the 7(c), 7(b)(3) and "area of production" exemptions have been reviewed in the following issues of the INFORMATION LETTER: May 29, 1943, January 4, 1947, February 8, 1947, November 29, 1947, February 11, 1950, March 3, 1951, September 6, 1952, July 24, 1954, and September 25, 1954.

Happer Payne

Word was received prior to Convention time about the death late in December of Happer Payne, who was Director of the N.C.A. Labeling Division from 1941 to 1950. Death occurred from a stroke at Mr. Payne's home in Russellville, Ky., after about a year of illness following a previous stroke suffered in Orlando, Fla.

During Mr. Payne's service to N.C.A. he had worked extensively with canners' technical committees on labeling, and with distributor groups in furtherance of the N.C.A. program of descriptive labeling. The labeling Committee's motion picture "Better Labels" was produced under his direct supervision.

Prior to his N.C.A. connection Mr. Payne had served with *Good Housekeeping* magazine for 16 years, handling numerous consumer research projects and retail merchandising surveys and studies. He had initiated and directed a number of grocery store sales and promotion programs and developed an extensive program of preparing and distributing product information for the education and training of department store sales personnel.

In 1950 Mr. Payne became national alumni secretary for his alma mater, Wabash College. Later he did marketing program work for the Super Market Institute, and shortly before his final illness had established Happer Payne Associates, his own marketing study business, in Orlando.

Frank H. Van Eenwyk

Frank H. Van Eenwyk, 73, chairman of the board of Fruit Belt Preserving Company, East Williamson, N. Y., died January 9.

Mr. "Van," as he was affectionately known, had started in the food processing business about 1905. He founded the Fruit Belt firm in 1912, and also was president of Marion Canning Company, Marion, N. Y.

Mr. Van Eenwyk was very active in association affairs. He was chairman of the N.C.A. Fruit Section in 1920 and chairman of its Cherry Section in 1936; served two terms on the Board of Directors, 1925-27 and 1940-42; and was a member of the Labeling Committee, 1944-45.

Mr. Van Eenwyk also served as president of the New York State Canners and Freezers Association. He recently became a 50-year member of the Old Guard Society and served as its president in 1951.

F. Henry Kiser

F. Henry Kiser, 83, secretary of the Whitewater Canning Company, Whitewater, Wis., and the affiliated Humbird Canning Company, Humbird, Wis., died on January 2.

Mr. Kiser had been secretary of both of these companies since their incorporation, the Whitewater firm in 1913 and the Humbird company in 1917. At the time of his death Mr. Kiser was a practicing attorney and a police judge.

Hearings Held on Bills To Regulate Food Additives

Hearings were held last week before the Health and Science Subcommittee of the House Interstate and Foreign Commerce Committee on a number of bills providing for regulation of the use of chemical additives in foods. The principal bills under consideration were H.R. 4475 introduced by Representative Delaney (N. Y.), H.R. 8748 introduced by Representative Miller (Nebr.), and two companion bills, H.R. 8271 and H.R. 8275 introduced by Representatives Priest (Tenn.) and O'Hara (Minn.).

At the outset Representatives Miller and Delaney emphasized the need for regulation in the field and gave support to their respective measures which provide for licensing by the Food and Drug Administration before utilization of any new chemical additive in food.

Testimony from various representatives of the food industries made it clear that there was a united front backing the principles embodied in the latest Priest and O'Hara bills. These provide for adequate pretesting and notice to the Food and Drug Administration before any new chemical may be used. In the event there is any disagreement between the FDA and anyone proposing to use a new chemical, either one may go to court and secure a declaratory judgment on the question of whether or not there has been adequate testing to show the safety of the new chemical additive. The control would fall short of out and out licensing by the Food and Drug Administration.

H. Thomas Austern, N.C.A. Chief Counsel, joined representatives of the other food groups in endorsing the principles of the Priest and O'Hara bills. At the outset he pointed out that the problem of untested and possibly toxic chemical additives is not a major or acute problem with canned foods, first, because most canned fruits and vegetables are now standardized and their ingredients have thus been scrutinized as to wholesomeness, and secondly, because the pesticide problem on raw materials is now controlled by the 1954 Miller Pesticide Act. Mr. Austern dealt with the question of coverage and the inclusion of a "grandfather clause" in any proposed legislation. He emphasized that inclusion of a "grandfather clause" exempting food additives already in use from coverage under the Act would not impair the powers now residing in the FDA under the existing law to deal with any toxic substance in food.

Much of the testimony and questioning related to the court review procedures established under the various bills. All of the food groups were in favor of the declaratory judgment procedure of the Priest and O'Hara bills which would in effect provide a trial "de novo" before the court to determine the question of adequate testing for safety of any new food additive. On this point Mr. Austern stated that he thought the number of such cases that would come before the courts would be few and that there was little likelihood of the judicial system being burdened by inclusion of any such provisions in the law.

Witnesses from the Food and Drug Administration have not as yet testified and are scheduled to appear before the Committee on February 14.

Price Supports

The Senate Agriculture Committee in a final vote on an omnibus farm bill late February 9 approved a return to rigid supports for basic crops.

Although the bill contained the soil bank and other Administration proposals, it would abolish the flexible support system of the Administration. It was reported that the vote was 9-6 to restore price supports on millable wheat to 90 percent of parity. Last year's crop consisted of 90 to 95 percent of the millable variety. It was reported that corn, cotton, and peanuts were returned to a 90 percent support by a vote of 8-7.

The committee had voted tentatively last week to put rice, the fifth basic crop, under a two price system with 90 percent supports for rice sold in this country and a lower price for rice sold on the world market.

Corporation Tax Bills Seek Tax Relief for Small Business

Two bills designed to provide tax relief for small business were introduced by Senator Fulbright (Ark.) February 3 for himself and 11 other Senators who are members of the Senate Committee on Banking and Currency or the Select Committee on Small Business.

Under present law corporations are subject to a tax rate of 30 percent on the first $25,000 of taxable income and a surtax rate of 22 percent on net earnings in excess of $25,000. The normal tax is scheduled to drop 5 percent, from 30 to 25 per cent, on April 1.

Representative Cooper (Tenn.) has introduced a bill, H. R. 9166, to extend the existing corporate tax rates, and the Fulbright bills are being offered as proposed amendments to such an extension bill.

S. 3128 would establish a normal tax rate of 22 percent on the first $25,000 of taxable income and a surtax of 30 percent on net earnings in excess of that amount. For corporations having taxable incomes of $25,000 or less, the amount of tax paid to the government would be reduced by 26.7 percent below the amount paid under present rates. For corporations subject to the surtax, taxes paid would be reduced by 9.8 percent on a taxable income of $50,000, down to 0.004 percent on a taxable income of $100 million. S. 3128 would yield $400 million less revenue than under present law.

S. 3129 would establish a rate of 22 percent on the first $25,000 of taxable income and a surtax of 31 percent on net earnings in excess of that figure. This also would reduce taxes paid by corporations having taxable incomes of $25,000 or less by 26.7 percent. It would also reduce taxes paid on net earnings between $25,000 and $225,000, but corporations having taxable incomes in excess of $225,000 would pay more taxes than under present law. S. 3192 would be expected to increase total tax revenues by $20 million.

Inspection and Certification

The Agricultural Marketing Service of USDA has issued new regulations governing the inspection and certification of processed fruits and vegetables and certain other processed food products. Text of the regulation was published in the *Federal Register* of January 21 and will become effective 30 days later.

Status of Legislation

Alaskan fisheries—H. R. 8405, to transfer supervision of Alaskan fish and game from the Interior Department to the Territorial Government, is one of several bills to be considered by a House Interior Subcommittee at hearings beginning Feb. 16.

Anti-merger legislation—Bills that would require pre-notification and permit government suspension of acquisitions, mergers and consolidations are pending before the Anti-monopoly Subcommittee of the House Judiciary Committee. Hearings were held Jan. 16-23.

Customs simplification—The House-passed bill, H. R. 6040, to revise the method by which the value of imported merchandise is determined for customs evaluation, is pending before the Senate Finance Committee.

FDA chemical additives—A House Interstate Commerce Subcommittee held hearings on bills to regulate the use of chemical additives in food. Hearings will resume Feb. 14 at which time FDA officials will be heard (see story, page 125).

FDA codification—H. R. 6991, to revise, codify, and enact into law Title 21 of the U. S. Code entitled "Food, Drugs, and Cosmetics," was passed by the House and is pending before the Senate Judiciary Committee pending a report from the Secretary of HEW.

FDA imitation food—H. R. 3692, to prohibit the interstate marketing of any "imitation" of a standardized food product, even though the imitation product is plainly labeled as such, is pending before the House Interstate Commerce Committee.

Gasoline tax—H. R. 8780, to refund tax paid on gasoline used for farming, passed the House 387-0 Jan. 31. Bill is pending before the Senate Finance Committee; no action scheduled.

Import quotas—H. R. 8954 was introduced to supersede H. R. 7925 and others. New bill makes changes that alter the bases of quota imposition and is pending before House Ways and Means Committee.

Marketing orders—H. R. 8384, to bring cranberries for canning under the orders provisions of the Agricultural Marketing Agreements Act, is pending before the House Agriculture Committee. No action scheduled.

Military procurement—H. R. 8710, to limit the authority to make negotiated purchases, has been cleared for floor action in the House (see story, page 123).

National fish policy—H. R. 8001 and other bills that would establish a national fisheries policy and would transfer the Fish and Wildlife Service from the Interior Department to the Commerce Department are pending before a House Merchant Marine and Fisheries Subcommittee.

OTC—H. R. 5550, authorizing U. S. participation in the OTC which is intended to provide permanent arrangements for the administration of GATT, will be the subject of hearings by the House Ways and Means Committee beginning March 1.

Price supports—The Senate Agriculture Committee completed action on an omnibus farm bill Feb. 9, and ordered it reported to the Senate (see story, page 125).

Statehood—H. R. 2535, to provide statehood for Alaska and Hawaii, was recommitted to the House Interior and Insular Affairs Committee.

Sugar Act—H. R. 7030, to extend and amend the Sugar Act, was passed by the Senate and returned to the House for approval of amendments (see story, this page).

Trip leasing—S. 898, to prohibit ICC regulation of the duration of motor carrier leases, was reported by the Senate Interstate Commerce Committee and is on the Senate calendar.

Wage-hour extension—No action scheduled in either committee on bills proposing elimination of exemptions and extension of coverage of the Fair Labor Standards Act.

Waste disposal—The House Ways and Means Committee has ordered a tax bill to be reported in which a provision is included to encourage the prevention of water pollution by allowing the cost of treatment works for abatement of stream pollution to be amortized over a five-year period.

Water pollution—Hearings have been scheduled by a House Public Works Subcommittee for March 12-14 on S. 890, to extend and amend the Water Pollution Control Act of 1948. This bill passed the Senate and was reported to the House during the last session, but was recommitted to the House Committee on Jan. 23.

Sugar Act

The Senate on February 8 passed, with amendments, the House-passed bill extending the Sugar Act and providing for greater participation by U. S. producers in the future so-called American growth market.

The Senate amendments to the bill, H. R. 7030, were those recommended by the Finance Committee. These changes include extension of the Act for six years—to 1962—instead of four years, and division of the growth market on a basis of 55 percent to U. S. producers and 45 percent to foreign producers instead of a 50-50 basis.

Stocks of Canned Foods on Jan. 1 and Season Shipments

Reports on canners' stocks and shipments of 14 canned fruit and vegetable products have been issued by the N.C.A. Division of Statistics, and detailed reports covering the January 1 stock and shipment situation have been mailed to all canners of these products.

The 1955-56 supply of the canned vegetables included in the summary table below amounts to about 196 million cases compared with 209 million a year ago, down about 6 percent. January 1 stocks are likewise down about 7 percent below a year ago, and shipments to January 1 are down even more, about 14 percent. Four commodities—green beans, sweet corn, tomatoes and beets—account for the decreased shipments. Each of these four canned vegetable items showed shipments to January 1 which were 9 to 19 percent below shipments to the same date a year ago. All the other six canned vegetables showed increases in shipments from canners' warehouses this year. Pumpkin and squash registered the biggest increases in shipments, 18 percent over a year ago.

Supply and shipments of apples and applesauce show little change from a year ago. However, red sour cherries with a larger supply show a 52 percent increase in canners' shipments to Jan. 1.

	Carry-over month	Case basis	Total Supply 1954	Total Supply 1955	Canners' Stocks, Jan. 1 1955	Canners' Stocks, Jan. 1 1956	Season Shipments to Jan. 1 1955	Season Shipments to Jan. 1 1956
			(thousands of cases)					
Apples	Aug.	6/10	4,106	4,142	2,614	[a]2,651	1,492	1,491
Applesauce	Aug.	actual	13,720	14,179	8,319	8,734	5,401	5,445
RSP cherries	July	actual	3,253	5,027	1,438	2,266	1,815	2,761
Asparagus	March	actual	6,000	7,739	1,314	2,987	4,687	4,752
Beans, green and wax	July	actual	[b]31,043	28,181	16,042	15,973	[c]15,000	12,208
Beets	July	actual	9,563	9,289	5,059	5,207	4,503	4,082
Carrots	July	actual	2,889	2,582	1,787	1,407	1,102	1,175
Corn	Aug.	actual	41,906	34,530	26,086	20,501	15,820	14,029
Peas	June	actual	31,488	33,096	13,891	14,876	17,597	18,219
Tomatoes	July	actual	[b]25,178	23,295	10,046	10,308	[c]15,133	12,987
Tomato juice	July	actual	33,540	29,039	18,733	14,463	14,807	14,576
Catsup	July	actual	24,255	25,647	12,729	13,330	11,526	12,317
Chili sauce	July	actual	2,863	2,831	1,740	1,618	1,123	1,213

[a] Stocks consist of 2,760,864 actual cases, comprising 2,295,562 6/10's, 428,029 24/2's, and 37,273 cases of miscellaneous container sizes. [b] Includes pack from Jan. 1-July 1. [c] Includes shipments from Jan. 1-July 1 pack.

USDA 1956 Vegetable Goals

Acreage-marketing guides for 1956 crops of vegetables for processing and for other summer and fall vegetables were announced by the USDA January 20.

The guides suggest an over-all increase of 2 percent in the planted acreage of vegetables for commercial processing. For nine vegetables the guides total 1,680,810 acres to be planted, compared with 1,650,120 acres planted in 1955.

Vegetables for commercial processing	Change from 1955 planted acreage (percent)
Beans, lima	....
Beans, snap	−10
Beets	....
Cabbage for kraut	+10
Corn, sweet	+5
Cucumbers for pickles	+10
Peas, green	+5
Spinach	−5
Tomatoes	(a)

(a) For tomatoes: planted acreage 10 percent less in California and equal to 1955 in other states.

The guides also suggest an average cut of 8 percent in total acreage of summer and late potatoes.

For other crops the guides are on the basis of acreage for harvest. Reductions of 6 percent for sweet potatoes, 2 percent for fresh summer vegetables, and 1 percent for fresh fall vegetables are recommended.

Canned Baby Food Stocks

Details of the canned baby food supply, stock and shipment situation are reported by the N.C.A. Division of Statistics as follows:

	1954	1955
	(thousands of dozens)	
Canner stocks, Jan. 1	65,305	74,083
Pack, Jan.-Dec.	160,742	157,783
Supply	226,047	231,866
Canner stocks, Jan. 1	74,083	[a]77,017
Canner shipments during Dec.	10,998	11,439
Canner shipments, Jan.-Dec.	151,964	154,849

[a] Canner stocks, Jan. 1, 1956.

Wholesale Distributor Stocks of Specified Canned Foods

Estimates of the volume of canned foods held by wholesale distributors on January 1 have been issued by the Bureau of the Census, U. S. Department of Commerce.

Commodity	Jan. 1 1955	Nov. 1 1955	Jan. 1 1956
	(thousands of actual cases)		
Vegetables:			
Asparagus	805	n.a.	779
Beans, green and wax	3,415	n.a.	3,231
Beans, lima	695	n.a.	630
Beets	1,165	n.a.	1,090
Carrots	422	n.a.	417
Corn	4,702	5,300	4,560
Peas	3,805	4,058	3,620
Pumpkin and squash	468	n.a.	610
Sauerkraut	738	879	859
Spinach	639	n.a.	658
Tomatoes	3,611	n.a.	4,055
Tomato catsup and chili sauce	2,104	n.a.	2,303
Tomato puree (pulp)	750	n.a.	675
Tomato sauce	709	n.a.	586
Fruits:			
Apples	443	453	479
Applesauce	1,348	1,249	1,227
Apricots	769	n.a.	893
Cherries, RSP	579	666	593
Cherries, sweet	307	n.a.	285
Fruit cocktail[a]	1,368	n.a.	1,311
Grapefruit segments	458	460	430
Peaches	3,956	n.a.	3,843
Pears	1,111	n.a.	1,142
Pineapple	2,022	2,290	1,865
Plums	450	n.a.	390
Juices:			
Citrus blends	433	399	377
Grapefruit	910	935	773
Orange	1,093	1,024	1,024
Pineapple	977	1,210	1,051
Tomato[b]	2,721	n.a.	2,571
Fish:			
Maine sardines	n.a.	354	326

n.a.—not available. [a]Includes fruits for salad and mixed fruits (except citrus). [b]Includes vegetable juice combinations containing at least 70 percent tomato juice.

Spinach for Processing

The 1956 acreage of winter and early spring spinach for processing in Texas and California is expected to total 12,400 acres, according to a report on January 1 conditions by the Crop Reporting Board of USDA. Such an acreage would be 3 percent less than the 12,800 acres planted last year and 16 percent below the 1945-54 average of 14,680 acres planted.

Seasonal Group and State	1955 Planted (acres)	1955 Harvested (acres)	1956 Planted (acres)
Winter:			
Texas	4,500	4,000	3,000
Early spring:			
California	8,300	8,000	9,400
Total	12,800	12,000	12,400

1955 Pack of Green and Wax Beans

The 1955 pack of green beans was reported by the N.C.A. Division of Statistics at 22,203,743 actual cases and the 1955 pack of wax beans at 2,730,476 cases.

Following are tables showing the 1955 packs by states and the pack of green beans by container size, with comparisons:

1955 Pack of Green and Wax Beans by States

State	Green Beans 1954	Green Beans 1955	Wax Beans 1954	Wax Beans 1955
	(actual cases)		(actual cases)	
Maine, Vermont, and Massachusetts	226,467	144,687	360,975	352,010
New York	3,168,432	2,028,485	1,230,159	1,073,934
Maryland and Delaware	3,250,465	2,554,190	61,687	42,270
Pennsylvania	678,558	373,782	235,915	241,004
Michigan	949,780	342,246	387,267	166,784
Wisconsin	2,196,703	1,293,736	939,943	680,640
Kentucky and Tennessee	1,187,109	1,018,109	.....	.....
Arkansas, Missouri, and Oklahoma	1,191,442	1,945,259	(b)	(b)
Florida	680,528	485,408	.....	.....
Texas	1,698,856	1,243,266	.....	.....
Colorado	448,110	478,203	119,507	93,100
Utah and Idaho	336,291	399,488	(a)	(a)
Washington	918,374	1,074,729	156,399	49,129
Oregon	5,149,312	6,209,533		
California	2,116,843	1,660,481	.....	.....
Other states	1,024,415	943,141	50,790	31,605
U. S. Total	25,230,685	22,203,743	3,542,642	2,730,476

(a) Included in other states. (b) Small amount included under green beans.

1955 Pack of Green Beans by Container Size

Container Size	1954	1955
	(actual cases)	
24/2	227,379	(a)
48/8Z	1,762,497	1,464,017
48/1P	178,976	129,729
24/303	17,114,442	15,288,625
24/2½	649,513	516,995
6/10	5,187,672	4,427,173
Misc. tin and glass	110,206	301,185
U. S. Total	25,230,685	22,203,743

(a) Included in miscellaneous tin and glass.

1955 Pack of Tomatoes

The 1955 pack of canned tomatoes totaled 23,678,648 actual cases as compared with the 1954 pack of 20,964,291 cases, according to a report by the N.C.A. Division of Statistics.

California reported an increase of 30 percent, which more than offset small declines in Maryland, Indiana, and Ohio, the other big volume producers of canned tomatoes, and in other states.

The No. 303 can accounted for about the same proportion of the 1955 pack as the 1954 pack. Principal change in the distribution of container sizes was the decline in the use of 8 ounce and No. 1 Picnic cans. The proportion of the pack in the No. 2 can also declined slightly, while the percentage of the 1955 pack in No. 2½ and No. 10 cans increased.

1955 Pack of Tomatoes by States

State	1954	1955
	(actual cases)	
New York	435,301	513,868
Maryland	4,923,172	4,388,479
Delaware	151,976	99,545
New Jersey	221,312	161,428
Pennsylvania	494,368	363,813
Va. and W. Va.	964,175	717,256
Ohio	1,081,712	1,074,694
Indiana	1,710,495	1,679,717
Tenn. and Ky	44,120	139,837
Ozarks[a]	83,736	568,020
Colorado	309,375	186,940
Utah	583,505	592,078
California[b]	7,100,750	9,245,704
Other states	2,860,294	3,947,269
U. S. Total	20,964,291	23,678,648

[a]Ozarks comprise Ark., Mo., and Okla. [b]In order to make the pack totals for 1955 comparable with those for previous years, tomatoes packed in 8Z cans are computed on the basis of 48 units per case and 303 cans are computed on the basis of 24 units per case.

1954 Pack of Tomatoes by Container Size

Container Size	1954	1955
	(actual cases)	
24/2	1,054,963	1,003,584
48/8Z	103,513	168,997
48/1P	891,615	613,886
24/303	11,445,727	13,060,977
24/2½	3,324,364	3,993,607
6/10	4,115,723	4,826,137
Miscellaneous	28,386	11,460
U. S. Total	20,964,291	23,678,648

1955 Packs of Catsup and Chili Sauce

The 1955 packs of catsup and chili sauce have been reported by the N.C.A. Division of Statistics as follows:

1955 Pack of Catsup

Container Size	1954	1955
	(actual cases)	
Glass:		
24/12 oz.	1,252,503	[a]1,376,324
24/14 oz.	15,100,603	17,902,489
No. 10 tin	1,855,795	3,034,403
Misc. tin and glass	355,762	634,267
U. S. Total	18,564,663	22,947,483

[a] California pack of 12 oz. bottles included under miscellaneous.

1955 Pack of Chili Sauce

Container Size	1954	1955
	(actual cases)	
12 oz. glass	1,795,892	2,077,529
No. 10 tin	183,208	284,021
Misc. tin and glass	113	33,694
U. S. Total	1,979,213	2,395,244

1955 Packs of Tomato Puree and Tomato Sauce

Reports on the 1955 pack of canned tomato puree and canned tomato sauce have been issued by the N.C.A. Division of Statistics.

1955 Pack of Tomato Puree

State	1954	1955
	(actual cases)	
New York	41,442	25,925
Md., N. J., and Pa.	424,093	338,250
Ohio	71,486	113,280
Indiana	348,639	337,165
Michigan	119,843	115,267
Utah and Idaho	75,944	95,932
California	1,273,715	2,135,510
Other states	143,639	146,152
U. S. Total	2,498,801	3,307,481

1955 Pack of Tomato Sauce

The 1955 pack of canned tomato sauce totaled 8,639,524 actual cases, of which 7,885,773 cases were packed in California and 753,751 cases in other states.

This compares with the 1954 pack of 7,059,115 cases, of which 6,540,165 cases were packed in California and 518,950 cases in other states.

Tomato Paste in California

The 1955 pack of canned tomato paste packed in California totaled 6,681,595 actual cases, compared with the 1954 pack of 4,370,409 cases, according to a report by the Canners League of California.

Packs of Beets and Carrots through Dec. 31, 1955

The 1955 packs of canned beets and canned carrots through December 31 have been compiled by the N.C.A. Division of Statistics.

BEETS

State	Pack through Dec. 31 1954	1955
	(actual cases)	
New York	1,934,274	1,968,452
Md. and N. J.	425,544	445,324
Michigan	273,955	244,948
Wisconsin	2,862,122	2,898,801
Utah	17,510	43,325
Wash. and Ore.	1,130,997	1,322,300
Other states	713,800	871,038
U. S. Total to Dec. 31	7,358,211	7,794,188

CARROTS

State	Pack through Dec. 31 1954	1955
	(actual cases)	
New York	256,330	225,576
Maryland	120,324	145,286
Michigan	(a)	(a)
Wisconsin	493,930	585,917
Utah	10,877	24,926
Wash. and Ore.	463,476	383,301
Other states	533,317	365,888
U. S. Total to Dec. 31	1,878,254	1,730,894

(a) Included in other states.

1954-55 Pack of Sauerkraut

The 1954-55 pack of canned sauerkraut totaled 7,126,270 actual cases as compared with the 1953-54 pack of 7,137,425 cases, according to a report compiled by the N.C.A. Division of Statistics in cooperation with the National Kraut Packers Association.

State	1953-54	1954-55
	(actual cases)	
New York	2,506,101	2,549,987
Ohio, Mich., and Ind.	1,166,875	1,164,711
Wisconsin	2,113,757	1,970,365
Other Midwest states	49,225	92,104
West	603,920	601,550
South	697,547	747,553
U. S. Total	7,137,425	7,126,270

Other Midwest states: Ark., Ill., Iowa, Minn., and Mo. West: Colo., Ore., Utah, and Wash. South: Conn., Md., N.C., Pa., Tenn., Texas, and Va.

1955 Pack of Pears

The 1955 pack of canned pears totaled 10,573,789 actual cases as compared with the 1954 pack of 9,765,802 cases, according to a report issued by the N.C.A. Division of Statistics.

On the basis of standard cases of 24/2½, the 1955 pack amounted to 8,345,416 cases compared with 7,775,321 cases in 1954.

State	1954	1955
	(actual cases)	
Washington and Oregon	5,452,961	5,698,238
California	3,983,765	4,304,291
Other states	329,076	571,270
U. S. Total	9,765,802	10,573,789

Citrus Juice Production

More Florida citrus is moving to processors this season than last, according to the Agricultural Marketing Service of USDA.

In a report on *The Fruit Situation*, USDA reports that movement of oranges to processors by January 14 was over 19 million boxes, 14 percent more than a year earlier. Processors also have used about 5.3 million boxes of grapefruit, slightly more than comparable use in 1954-55.

With carryover stocks of canned and frozen orange juice smaller last fall than a year earlier, processing, especially the making of frozen concentrate, got under way a little earlier than in the fall of 1954. Output of frozen orange concentrate by January 1 was about 7.7 million gallons, 36 percent larger than comparable production in 1954-55.

Marketing Margins

(Concluded from page 123)

cost of fruits and vegetables in the market basket increased 21 percent while the farm value of the equivalent quantity of produce decreased about 5 percent.

The farmer's share of the consumer's food dollar spent for fruit and vegetable products dropped from 37 percent in 1945 and 1946 to 32 percent in 1947. Since then it has fluctuated betwen 29 and 32 percent, and in the last three years it has been 29 percent.

USDA states in its report:

"The increase in the spread between what the consumer pays and what the farmer receives for an equivalent quantity of produce has resulted mostly from increases in the costs of marketing services and the provision of additional services. The increases in marketing costs have resulted from rises in labor costs and transportation charges and increased prices of materials, equipment, and services bought by marketing firms."

Average hourly earnings of employees in the canning and preserving industry increased, according to USDA, from 80 cents in 1945 to $1.46 (preliminary) in 1955. Those of employees in retail food stores rose from 79 cents in 1945 to $1.63 (preliminary) in 1955, an increase of 106 percent.

USDA also reports that transportation charges, which are a substantial part of the marketing margin for fruits and vegetables, were 63 percent higher in 1955 than in 1945 as a result of general freight increases. It is estimated that rates for processed fruit and vegetable products increased about 60 percent.

Comparison of the farmer's share for fresh fruits and vegetables with that for processed fruits and vegetables reveals quite a difference in the trend in postwar years. The 1947-49 average of the farmer's share for fresh vegetables was 45 percent. The 1955 average was 35 percent. For fresh fruits and vegetables combined the 1947-49 average was 40 percent of the retail price compared with 36 percent in 1955.

In contrast to this rather marked decline in the farmer's share for the fresh fruits and vegetables, the farmer's share for the processed fruits and vegetables has been 20 percent for each of the past four years and was 21 percent in 1947-49. This relatively consistent share of the retail price going to the farmer has been made possible only through the consistently increasing efficiency of processing operations despite the increases in cost of labor and materials which have occurred during postwar years.

The relationships of retail cost, farm value, and marketing margins are shown in the table below:

Commodity	Retail Unit	Retail cost 1955	Net farm value 1955	Marketing margin 1955	Farmer's Share 1955	1954	1947-49
		(dollars)	(dollars)	(dollars)	(per-cent)	(per-cent)	(per-cent)
All fruits and vegetables	Market Basket	208.12	60.64	147.48	29	29	31
Fresh fruits and vegetables	Market Basket	119.18	43.21	75.97	36	36	40
Fresh vegetables	Market Basket	62.43	22.05	40.38	35	34	45
Processed fruits and vegetables	Market Basket	88.94	17.42	71.52	20	20	21
		(cents)	(cents)	(cents)	(per-cent)	(per-cent)	(per-cent)
Canned peaches	No. 2½ can	34.1	6.1	28.0	18	16	17
Canned orange juice	46-oz. can	33.9	8.5	25.4	25	27	n.a.
Canned corn	No. 303 can	17.1	2.5	14.6	15	15	16
Canned peas	No. 303 can	21.5	3.2	18.3	15	15	14
Canned tomatoes	No. 303 can	15.1	2.2	12.9	15	16	18
Canned beans with pork	16-oz. can	14.9	3.0	11.9	20	21	n.a.

Special Mailing for Convention Issue

Members and contributors to the N.C.A. who normally receive their copies of the INFORMATION LETTER by airmail in keeping with the policy of having every copy on every desk at the same time, received the special Convention issue this week by first class mail instead. Those receiving extra bulk copies to take care of multiple plants and offices got such mailings by book rate postage instead of fourth class.

These variations in mailing procedures for the large Convention issue (116 pages, 10-oz. per copy) were adopted by the Information Division in the interest of mailing economies. Changing from air mail to first class resulted in a saving of 50 cents per copy. Using book rate instead of fourth class saved an average of 6 cents plus per copy. By this method, the 1956 mailings, compared with last year, saved more than $300 for approximately the same number of copies.

Pure Food Postage Stamp

A special stamp to commemorate the 50th anniversary of the original Federal Food and Drug Law will be issued by the Post Office Department, it has been announced by L. Rohe Walter, special assistant to the Postmaster General. Stamps in the quantity of 110 million will be placed on sale by the Post Office Department on June 27, he stated.

The N.C.A. advanced the idea of a commemorative stamp last spring and joined with others in letters to the Postmaster General in support of such authorization. Suggestion was made to member firms that they write similar letters.

Raw Products Representatives

(Concluded from page 123)

vania, Minnesota, the Tri-States, and Ohio, and will take part next week in the school in New York. Dr. Mahoney, along with A. C. Moll and M. H. Mitchell, members of the N.C.A. Technical Advisory Committee, attended the Minnesota school and discussed in some detail the operation and results achieved by the various raw product subcommittees working on raw products problems.

At the Ohio and Wisconsin schools Dr. Mahoney told the canners and their fieldmen what the responsibilities of canners and their growers are under the Miller bill, and at the Wisconsin meeting discussed also some of the details of the Association's Farm Youth Program for 1956 and showed the movie taken at the convention when Secretary Benson made the 1955 national award to William Rockefeller.

Dr. Crosby appeared on the Tri-State program to discuss the work on precision planting and fertilizer placement to be carried out on the Eastern Shore of Virginia and Maryland, in cooperation with the Virginia and Maryland Experiment Stations and the Raw Products Committee of the Tri-State Packers' Association. Dr. Mahoney and Dr. Crosby will attend the New York school in order to make further contacts with the Experiment Station staff to emphasize canners' problems in that area.

The growth and development of canners schools was recently reviewed in a talk entitled "The Fieldman Goes to College," given by H. L. Seaton of the Continental Can Company at the Second Annual Conference for Processors' Fieldmen at the University of California. He emphasized that the primary purpose of the fieldmen's conferences is to bring the fieldmen in contact with the workers at the experiment station and college on a common meeting ground. The research and extension workers, he said, have come to realize the close year-round association the fieldman has with his growers and his importance in the agricultural pattern of his community. Copies of Mr. Seaton's talk are available upon request directed to him at 4645 West Grand Ave., Chicago, Ill.

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